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EXAMINER

GRAHAM, CLEMENT B

ART UNIT	PAPER NUMBER
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3628

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Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/764,618	Applicant(s) LIKOUREZOS ET AL.	
	Examiner Clement B Graham	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 28 January 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-31 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-31 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. claims 1-31 remain pending

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-31, are rejected under 35 U.S.C. 103(a) as being unpatentable over Bogosian et al (Hereinafter Bogosian U.S Patent 6,760, 470) in view of Hambrecht et al (Hereinafter Hambrecht U.S Patent 6,629,082).

As per claim 1, Bogosian discloses a method for effecting payment for a purchaser of at least one item offered for an electronic auction sale by a seller via an electronic auction web site maintained by at least one computing device of an electronic auction system said method comprising the steps of:

maintaining a database ("i. e, user database")(see column 4 lines 34-67 and column 12 lines 32-41) of a plurality of electronic auction payment accounts corresponding to a plurality of users including the purchaser ("i. e, users") (see column 4 lines 34-67 and column 12 lines 32-41) of said electronic auction web site and a payment segment of said electronic auction web site by an electronic auction payment system integrated with said electronic auction system (see column 5 lines 21-34) each of said plurality of electronic auction payment accounts configured for storing funds therein (see column 4 lines 34-67 and column 12 lines 32-41) and each capable of being used for user transactions in the electronic auction system performing at least one payment-related activity by said electronic auction payment system for effecting payment for said purchaser (see column 5 lines 21-34 and see column 4 lines 34-67 and column 12 lines 32-41) said at least one payment-related activity selected from the group consisting of debiting an electronic auction payment account corresponding to the purchaser of the at least one item and

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maintained by said electronic auction payment system (see column 5 lines 21-55) crediting at least one account corresponding to the seller to effect payment for the at least one item offered for the electronic auction sale via the electronic auction web site. (see column 5 lines 21-55).

Bogosian fail to explicitly teach withdrawing funds from at least one account storing funds therein and not corresponding to at least one of the plurality of users.

However Hambrecht discloses individuals without brokerage accounts can be directed to one of the Underwriter's brokerage partners. The second group includes professional money managers and institutional investors and some professional investors may wish to route bids through their brokerage accounts via telephone or dedicated terminals while others may wish to enter bids directly over the Internet and settle transactions through an existing account. (see column 8 lines 19-51) and retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to include withdrawing funds from at least one account storing funds therein and not corresponding to at least one of the plurality of users taught by Hambrecht in order to used the funds from an existing credit account used for the purposes of covering auction expenses.

As per claim 2, Bogosian discloses wherein the plurality of electronic auction payment account corresponding to the seller. ("i. e, users") (see column 12 lines 35-41).

As per claim 3, Bogosian discloses wherein the at least one credited account corresponding to the seller includes at least the electronic auction payment account corresponding to the seller. (see column 5 lines 19-55).

As per claim 4, Bogosian discloses further comprising the step of receiving authorization from the purchaser of the at least one item to perform the at least one

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payment-related activity and to credit the at least one account corresponding to the seller prior to the steps of debiting the purchaser's electronic auction payment account and crediting the at least one account corresponding to the seller. (see column 5 lines 35-55).

As per claim 5, Bogosian discloses wherein the steps of debiting and crediting are performed in real-time. ("i. e, automatically"). (see column 5 lines 35-55).

As per claim 6, Bogosian fail to explicitly teach further comprising the steps of determining if there are sufficient funds in the electronic auction payment account corresponding to the purchaser of the at least one item to effect payment, performing the step of withdrawing funds from the at least one account storing funds therein and not corresponding to at least one of the plurality of users, if their are not sufficient funds in the electronic auction payment account corresponding to the purchase of the at least one item.

However Hambrecht discloses individuals without brokerage accounts can be directed to one of the Underwriter's brokerage partners. The second group includes professional money managers and institutional investors and some professional investors may wish to route bids through their brokerage accounts via telephone or dedicated terminals while others may wish to enter bids directly over the Internet and settle transactions through an existing account. (see column 8 lines 19-51) and retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to include teach withdrawing funds from at least one account storing funds therein and not corresponding to at least one of the plurality of users taught by Hambrecht in order to cover purchaser's bids by using available credit that was provided.

As per claim 7, Bogosian fail to explicitly teach further comprising the step of charging interest for funds withdrawn from the at least one account storing funds therein to effect payment.

However Hambrecht discloses retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Further it is common for a user to be charged interest when credit or money is loaned to cover expenses.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to include charging interest for funds withdrawn from the at least one account storing funds therein to effect payment taught by Hambrecht in order to recoup funds for using credit or money is loaned to cover expenses.

As per claim 8, Bogosian discloses debiting the electronic auction payment account corresponding to the purchaser of the at least one item and making a payment to purchase of an item via the internet .(see column 1 lines 35-55).

Bogosian and Hambrecht fail to explicitly teach further comprising the steps of determining if the purchaser of the at least one item has indicated a purchase of insurance and/or for a personal guarantee for the at least one item and for an amount of funds to cover the purchase of insurance and/or for the personal guarantee for the at least one item purchased, if the purchaser of the at least one item has indicated the purchase of insurance and or for the personal guarantee for the at least one item.

However when such things as personal guarantee and shipping insurance are optional, and would have been decision of the buyer, and further it would have been obvious should the buyer decides to acquire personal guarantee and/or shipping

insurance these additional fees would have been included in the total cost and that total cost would have been deducted from the buyer account.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian and Hambrecht to include determining if the purchaser of the at least one item has indicated a purchase of insurance and/or for a personal guarantee for the at least one item and for an amount of funds to cover the purchase of insurance and/or for the personal guarantee for the at least one item purchased, if the purchaser of the at least one item has indicated the purchase of insurance and or for the personal guarantee for the at least one item because when making a payment to purchase of an item via the internet such things as personal guarantee and shipping insurance are optional, and would have been decision of the buyer, and further it would have been obvious should the buyer decides to acquire personal guarantee and/or shipping insurance these additional fees would have been included in the total cost and that total cost would have been deducted from the buyer account.

As per claim 9, Bogosian discloses further comprising the step of retaining, by an operator of the at least one computing device, a portion of the amount of funds debited as a service fee.(i. e, "transaction fees") for the purchase of insurance and/or for the personal guarantee for the at least one item.(see column 13 lines 47-55).

As per claim 10, Bogosian and Hambrecht fail to explicitly teach further comprising the step of initiating the investment of funds corresponding to at least one of the plurality of electronic auction payment accounts.

However investment of funds corresponding to at least one of the plurality of electronic auction payment accounts is old and well known in the art because it is common for customers to have investment for example with various investment corporations, and a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian and Hambrecht to include of initiating the investment of funds corresponding to at least one of the plurality of electronic

auction payment accounts because it is common for customers to have investment for example with various investment corporations, and a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

As per claim 11, Bogosian and Hambrecht fail to explicitly teach further comprising the steps of allocating a percentage of funds gained by investing the funds to the at least one o the plurality of electronic auction payment accounts; and retaining, by an operator of the at least one computing device, a percentage of funds gained by investing the funds.

However allocating a percentage of funds gained by investing the funds to the at least one o the plurality of electronic auction payment accounts and retaining, by an operator of the at least one computing device, a percentage of funds gained by investing the funds is old and well known in the art because it is common for customers to have investment for example with various investment corporations, and when there is an investment gain the investment corporation would retained a portion or percentage of those gains, further a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian and Hambrecht to include allocating a percentage of funds gained by investing the funds to the at least one o the plurality of electronic auction payment accounts and retaining, by an operator of the at least one computing device, a percentage of funds gained by investing the funds because it is common for customers to have investment for example with various investment corporations, and a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

As per claim 12, Bogosian and Hambrecht fail to explicitly teach further comprising the step of issuing checks to at least one potential user having a corresponding electronic auction payment account.

However issuing checks to at least one potential user having a corresponding electronic auction payment account would have only been possible if the checks issued to the potential user is affiliated with the auction payment account or a new account which

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was opened, and issuing checks to a potential user or not would not have prevented the auction system from performing its true function.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian and Hambrecht to include issuing checks to at least one potential user having a corresponding electronic auction payment account would have only been possible if the checks issued to the potential user is affiliated with the auction payment account or a new account which was opened, and issuing checks to a potential user or not would not have prevented the auction system from performing its true function.

As per claim 13, Bogosian discloses further comprising the step of retaining, by an operator of the at least one computing device, a percentage.("i. e, "transaction fee") of funds debited from the electronic auction payment account corresponding to the purchaser.("i. e, buyer") of the at least one item prior to crediting the at least one account corresponding to the seller.(13 lines 47-57).

As per claim 14, Bogosian discloses a system for effecting payment for a purchaser of at least one item offered for an electronic auction sale by a seller via an electronic auction web site maintained by at least one computing device of an electronic auction system, said system comprising:

an electronic auction payment system integrated with said electronic auction system, said electronic auction payment system comprising a plurality of electronic auction payment accounts and means for maintaining a payment segment of said electronic auction web site and said plurality of electronic auction payment accounts corresponding to a plurality of users including the purchaser, ("i. e, users") of the electronic auction web site (see column 4 lines 34-67 and column 12 lines 32-41) where the plurality of electronic auction payment accounts are configured for storing funds ("i. e, user database") (see column 4 lines 34-67 and column 12 lines 32-41) therein and the plurality of electronic auction payment accounts include an electronic auction payment account corresponding to the purchaser of the at least one item offered for the electronic auction sale and an electronic auction payment account corresponding to the seller (see column 4 lines 34-67 and column 5 lines

21-55 and column 12 lines 32-41) means for performing at least one payment related activity by said electronic auction payment system for effecting payment for said purchaser (see column 5 lines 21-34) said at least one payment related activity selected from the group consisting of debiting an electronic auction payment account corresponding to the purchaser of the at least one item and maintained by said electronic auction payment system (see column 5 lines 21-34) means for crediting at least one account corresponding to the seller to effect payment for at least one item. (see column 5 lines 21-34).

Bogosian fail to explicitly teach and withdrawing funds from at least one account storing funds therein and not corresponding to at least one of the plurality of users.

However Hambrecht discloses individuals without brokerage accounts can be directed to one of the Underwriter's brokerage partners. The second group includes professional money managers and institutional investors and some professional investors may wish to route bids through their brokerage accounts via telephone or dedicated terminals while others may wish to enter bids directly over the Internet and settle transactions through an existing account. (see column 8 lines 19-51) and retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to include withdrawing funds from at least one account storing funds therein and not corresponding to at least one of the plurality of users taught by Hambrecht in order to used funds from an existing credit account used for the purposes of covering auction expenses.

As per claim 15, Bogosian fail to explicitly teach further comprising the steps of determining if there are sufficient funds in the electronic auction payment account corresponding to the purchaser of the at least one item to effect payment, performing the

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step of withdrawing funds from the at least one account storing funds therein and not corresponding to at least one of the plurality of users, if their are not sufficient funds in the electronic auction payment account corresponding to the purchase of the at least one item.

However Hambrecht discloses individuals without brokerage accounts can be directed to one of the Underwriter's brokerage partners. The second group includes professional money managers and institutional investors and some professional investors may wish to route bids through their brokerage accounts via telephone or dedicated terminals while others may wish to enter bids directly over the Internet and settle transactions through an existing account. (see column 8 lines 19-51) and retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to determining if there are sufficient funds in the electronic auction payment account corresponding to the purchaser of the at least one item to effect payment, performing the step of withdrawing funds from the at least one account storing funds therein and not corresponding to at least one of the plurality of users, if their are not sufficient funds in the electronic auction payment account corresponding to the purchase of the at least one item taught by Hambrecht in order to used funds from an existing credit account for the purposes of covering auction expenses.

As per claim 16, Bogosian fail to explicitly teach further comprising the step of charging interest for funds withdrawn from the at least one account storing funds therein to effect payment.

However Hambrecht discloses retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be

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accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Further it is common for a user to be charged interest when credit or money is used as a loaned to cover expenses.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to include charging interest for funds withdrawn from the at least one account storing funds therein to effect payment taught by Hambrecht in order to recoup funds for credit used or money loaned.

As per claim 17, Bogosian and Hambrecht fail to explicitly teach further comprising the step of initiating the investment of funds corresponding to at least one of the plurality of electronic auction payment accounts.

However investment of funds corresponding to at least one of the plurality of electronic auction payment accounts is old and well known in the art because it is common for customers to have investment for example with various investment corporations, and a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian and Hambrecht to include of initiating the investment of funds corresponding to at least one of the plurality of electronic auction payment accounts because it is common for customers to have investment for example with various investment corporations, and a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

As per claim 18, Bogosian fail to explicitly teach further comprising the means of allocating a percentage of funds gained by investing the funds to the at least one o the plurality of electronic auction payment accounts; and retaining, by an operator of the at least one computing device, a percentage of funds gained by investing the funds.

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However allocating a percentage of funds gained by investing the funds to the at least one o the plurality of electronic auction payment accounts and retaining, by an operator of the at least one computing device, a percentage of funds gained by investing the funds. is old and well known in the art because it is common for customers to have investment for example with various investment corporations, and when there is an investment gain the investment corporation would retained a portion or percentage of those gains, further a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian and to include allocating a percentage of funds gained by investing the funds to the at least one o the plurality of electronic auction payment accounts and retaining, by an operator of the at least one computing device, a percentage of funds gained by investing the funds because it is common for customers to have investment for example with various investment corporations, and a customer having an investment or not would not have prevented a customer from purchasing and paying for an item.

As per claim 19, Bogosian discloses further comprising means for retaining a percentage of funds debited from the electronic auction payment account corresponding to the purchaser of the at least one item prior to crediting the at least one account corresponding to the seller.(see column 5 lines 17-55).

As per claim 20, Bogosian discloses wherein the means for debiting and the means for crediting debit the electronic auction payment account corresponding to the purchaser of the at least one item and credit the at least one account corresponding to the seller, respectively, in real-time. ("i. e, automatically"). (see column 5 lines 35-55).

As per claim 21, Bogosian discloses a payment system for effecting payment to a seller of at least one item offered for an electronic auction sale via an electronic auction web site and won by a winning bidder at the conclusion of the electronic auction sale, said electronic auction web site being maintained by an electronic auction system. said payment system comprising:

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a database ("i. e, user database") (see column 4 lines 34-67 and column 12 lines 32-41) containing a plurality of electronic auction payment accounts, where the plurality of electronic auction payment accounts are configured for storing funds therein (see column 4 lines 34-67 and column 12 lines 32-41) and where one of the plurality of electronic auction payment accounts corresponds to the winning bidder of the at least one item and one of the plurality of electronic auction payment accounts corresponds to the seller (see column 5 lines 21-34) and a computing device including application software for maintaining the plurality of electronic auction payment accounts and for automatically effecting payment to the seller by accessing the database and debiting the electronic auction payment account corresponding to the winning bidder of the at least one item (see column 5 lines 21-34) and crediting at least one account corresponding to the seller without any intervention by the winning bidder following the conclusion of the electronic auction (see column 5 lines 21-34) wherein said payment system maintains the database containing the plurality of electronic auction payment accounts and a payment segment of the electronic auction web site web site. (see column 4 lines 34-67 and column 5 lines 21-55 and column 12 lines 32-41).

As per claim 22, Bogosian discloses wherein the computing device debits the electronic auction payment account corresponding to the winning bidder of the at least one item and credits the at least one account corresponding to the seller in real time. ("i. e, automatically"). (see column 5 lines 17-55).

As per claim 23, Bogosian discloses wherein the computing device further includes application software for automatically effecting payment to an operator of the electronic auction web site using at least funds debited from the electronic auction payment account corresponding to the winning bidder of the at least one item. (see column 5 lines 35-55).

As per claim 24, Bogosian discloses a method for automatically effecting payment for a user of an electronic auction web site maintained by an electronic auction system, said method comprising the steps of:
effect payment said payment account being maintained by an electronic payment system integrated with said electronic system said payment account corresponding to the user of

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the electronic auction web site and configured for storing funds therein .(see column 5 lines 17-55 and column 12 lines 65 and column 13 line1-35) and debiting the payment account corresponding to the user of the electronic auction web site if there are sufficient funds in the payment account corresponding to the user to effect payment. column 5 lines 17-55).

Bogosian fail to explicitly teach determining if there are sufficient funds in a payment account to effect said payment and loaning funds to effect payment if there are not sufficient funds in the payment account corresponding to the user of the electronic auction web site.

However Hambrecht discloses permitting the extension of credit for a bid only to qualified institutional investors and requiring qualified non-institutional investors to have funds in an account sufficient to cover a bid(see column 37 lines 5-14)and individuals without brokerage accounts can be directed to one of the Underwriter's brokerage partners. The second group includes professional money managers and institutional investors and some professional investors may wish to route bids through their brokerage accounts via telephone or dedicated terminals while others may wish to enter bids directly over the Internet and settle transactions through an existing account. (see column 8 lines 19-51) and retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Further it would have been obvious for a system, that requires funds to be in an account sufficient to cover a bid would have also provided a feature for checking accounts in order to determine is there are sufficient are in those account.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Bogosian to include determining if there are sufficient funds in a payment account to effect said payment and loaning funds

to effect payment if there are not sufficient funds in the payment account corresponding to the user of the electronic auction web site taught by Hambrecht in order to used funds from an existing credit account for the purposes of covering bid expenses.

As per claim 25, Bogosian discloses wherein the step of debiting the payment account corresponding to the user of the electronic auction web site and crediting the at least one account to effect payment for the user of the electronic auction web site, if there are sufficient funds in the payment account corresponding to the user to effect payment, occurs in real-time. ("i. e, automatically") (see column 5 lines 35-55).

As per claim 26, Bogosian and Hambrecht fail to explicitly teach further comprising the step of charging interest for loaning funds to effect payment.

However charging interest for loaning funds to effect payment is old ad well known in the art because loans are commonly made to accommodate different transactional needs for the borrower for example when buying items and using a credit card to pay for the items the amount used for the purchase is actually a loan on the credit card and interest is normally charge against the credit card.

Therefore it would have been obvious to one of ordinary skill in the art to modify the teachings of Bogosian and Hambrecht to include charging interest for loaning funds to effect payment because loans are commonly made to accommodate different transactional needs for the borrower for example when buying items and using a credit card to pay for the items the amount used for the purchase is actually a loan on the credit card and interest is normally charge against the credit card.

As per claim 27, Bogosian discloses wherein the step of debiting comprises the step of retaining, by an operator associated with the electronic auction web site, a percentage.("i. e, "transaction fee") of funds debited from the payment account corresponding to the user.("i. e, buyer") of the electronic auction web site prior to crediting the at least one account. (13 lines 47-57).

As per claim 28, Bogosian discloses a payment system for effecting payment for at least one of a plurality of online auction registered users of an online auction web site maintained by an online auction system, said payment system comprising:

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a database ("i. e, user database")(see column 4 lines 34-67 and column 12 lines 32-41) containing information corresponding to a plurality of accounts of the plurality of online auction registered users, said plurality of accounts being configured for storing funds therein ("i. e, users") (see column 4 lines 34-67 and column 12 lines 32-41) and a computing device including application software for maintaining the plurality of accounts and for periodically ("i. e, "each transaction is being performed automatically on periodic basis")effecting payment for the at least one of the plurality of online auction registered users(see column 1 lines 5-55). by debiting an account of the plurality of accounts and crediting at least one account, wherein the debited account corresponds to the at least one online auction registered user, wherein said payment system is integrated with. said online auction system and maintains a payment segment of said online auction web site. (see column 5 lines 5-55).

As per claim 29, Bogosian discloses wherein application software periodically effects payment for the at least one of the plurality of online auction registered users without any intervention by the at least one online auction registered user. (see column 5 lines 5-55).

As per claim 30, Bogosian discloses a payment system for effecting payment to an operator of an online auction web site maintained by an online auction system, said payment system comprising:

a database ("i. e, user database")(see column 4 lines 34-67 and column 12 lines 32-41) containing information corresponding to a plurality of accounts of the plurality of online auction registered users, said plurality of accounts being configured for storing funds therein ("i. e, users") (see column 4 lines 34-67 and column 12 lines 32-41) and a computing device including application software for maintaining the plurality of accounts and for periodically effecting payment for the at least one of the plurality of online auction registered users(see column 5 lines 5-55). by debiting an account of the plurality of accounts and crediting at least one account, wherein the debited account corresponds to the at least one online auction registered user, wherein said payment system is integrated with. said online auction system and maintains a payment segment of said online auction web site. (see column 5 lines 5-55).

As per claim 31, Bogosian discloses wherein application software automatically effects payment for the at least one of the plurality of online auction registered users without any intervention by the at least one online auction registered user with out any intervention by the at least one online auction registered user. (see column 4 lines 25-60 and column 5 lines 17-55).

Conclusion

Response to Arguments

4. Applicant's arguments files on 01/28/05 have been fully considered but they are not persuasive for the following reasons.

5. In response to applicant's arguments regarding Bogosian.

6. In response to Applicant's arguments that Bogosian fail to teach or suggest" maintaining a database of a plurality of electronic auction payment accounts corresponding to a plurality of users including the purchaser of said electronic auction web site and a payment segment of said electronic auction web site by an electronic auction payment system integrated with said electronic auction system each of said plurality of electronic auction payment accounts configured for storing funds therein and each capable of being used for user transactions in the electronic auction system performing at least one payment-related activity by said electronic auction payment system for effecting payment for said purchaser said at least one payment-related activity selected from the croup consisting of debiting an electronic auction payment account corresponding to the purchaser of the at least one item and maintained by said electronic auction payment system crediting at least one account corresponding to the seller to effect payment for the at least one item offered for the electronic auction sale via the electronic auction web site and an electronic auction payment system integrated with said electronic auction system, said electronic auction payment system comprising a plurality of electronic auction payment accounts and means for maintaining a payment segment of said electronic auction web site and said plurality of electronic auction payment accounts corresponding to a plurality of users including the purchaser, ("i. e, users") of the electronic auction web site and where the plurality of electronic auction payment accounts are configured for storing funds and therein and the plurality of

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electronic auction payment accounts include an electronic auction payment account corresponding to the purchaser of the at least one item offered for the electronic auction sale and an electronic auction payment account corresponding to the seller and means for performing at least one payment related activity by said electronic auction payment system for effecting payment for said purchaser and said at least one payment related activity selected from the group consisting of debiting an electronic auction payment account corresponding to the purchaser of the at least one item and maintained by said electronic auction payment system means for crediting at least one account corresponding to the seller to effect payment for at least one item and a computing device including application software for maintaining the plurality of accounts and for periodically action is being performed effecting payment for the at least one of the plurality of online auction registered users by debiting an account of the plurality of accounts and crediting at least one account, wherein the debited account corresponds to the at least one online auction registered user, wherein said payment system is integrated with. said online auction system and maintains a payment segment of said online auction web site".

However these limitations were addressed in a combination of teachings by Bogosian and Hambrecht as stated, Bogosian discloses maintaining a database ("i. e, user database")(see column 4 lines 34-67 and column 12 lines 32-41) of a plurality of electronic auction payment accounts corresponding to a plurality of users including the purchaser ("i. e, users") (see column 4 lines 34-67 and column12 lines 32-41) of said electronic auction web site and a payment segment of said electronic auction web site by an electronic auction payment system integrated with said electronic auction system (see column 5 lines 21-34) each of said plurality of electronic auction payment accounts configured for storing funds therein (see column 4 lines 34-67 and column 12 lines 32-41) and each capable of being used for user transactions in the electronic auction system performing at least one payment-related activity by said electronic auction payment system for effecting payment for said purchaser (see column 5 lines 21-34 and see column 4 lines 34-67 and column12 lines 32-41) said at least one payment-related activity selected from the croup consisting of debiting an electronic auction payment

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account corresponding to the purchaser of the at least one item and maintained by said electronic auction payment system (see column 5 lines 21-55) crediting at least one account corresponding to the seller to effect payment for the at least one item offered for the electronic auction sale via the electronic auction web site. (see column 5 lines 21-55) and computing device including application software for maintaining the plurality of accounts and for periodically ("i. e, "each transaction is being performed automatically on periodic basis")effecting payment for the at least one of the plurality of online auction registered users(see column 1 lines 5-55). by debiting an account of the plurality of accounts and crediting at least one account, wherein the debited account corresponds to the at least one online auction registered user, wherein said payment system is integrated with. said online auction system and maintains a payment segment of said online auction web site. (see column 5 lines 5-55).

Hambrecht discloses individuals without brokerage accounts can be directed to one of the Underwriter's brokerage partners. The second group includes professional money managers and institutional investors and some professional investors may wish to route bids through their brokerage accounts via telephone or dedicated terminals while others may wish to enter bids directly over the Internet and settle transactions through an existing account. (see column 8 lines 19-51) and retail customers must actually fund their account up to at least the amount of a bid submitted for a security in order for the bid to be accepted. In other words, institutional investors may be permitted to submit bids based upon credit policies, but retail customers will have to have actual funds in their account sufficient to cover a bid in order to submit a bid for an auction of securities. The illustrative drawings of FIGS. 3A and 3B show in general the process for setting up a deal. (see column 13 lines 42-67).

Therefore it is obviously clear the teachings of Bogosian and Hambrecht teaches an electronic auction system for effecting payment for users during the auction.

7. In response to Applicant's arguments that Bogosian fail to teach or suggest" determining if the purchaser of the at least one item has indicated a purchase of insurance and/or for a personal guarantee for the at least one item and for an amount of funds to cover the purchase of insurance and/or for the personal guarantee for the at

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least one item purchased, if the purchaser of the at least one item has indicated the purchase of insurance and or for the personal guarantee for the at least one item”.

However such terms or condition as personal guarantee and shipping insurance are optional, and would have been decision of the buyer, and further it would have been obvious should the buyer decides to acquire personal guarantee and/or shipping insurance these additional fees would have been included in the total cost and that total cost would have been deducted from the buyer account.

8. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, THIS ACTION IS MADE FINAL. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 703-305-1874. The examiner can normally be reached on 7am to 5pm.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 703-308-0505. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-0040 for regular communications and 703-305-0040 for After Final communications.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

CG

April 30, 2004


HYUNG SOUGH
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600